THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) As per information available, year on year growth in total credit by Scheduled Commercial Banks (SCBs) for the year 2007, 2008 and 2009 is as under:

Year	Year-on-year growth (Approx.)
2007	21%
2008	18%
2009	14%

Source: RBI

(b) Data for non-agricultural rural credit is not available separately. However, total gross bank credit to agricultural and allied activities increased from Rs.2,30,377 crore in 2007 to 2,75,343 crore in 2008 and to Rs. 3,38,656 crore in 2009.

(c) and (d) The recent waiver of loans was confined to agriculture credit. Commercial Banks, Local Area Banks (LABs) and Urban Co-operative Banks have so far waived loans amounting to Rs. 18,523.33 crore (approximately) under Agricultural Debt Waiver and Debt Relief Scheme, 2008 (ADWDRS) while Co-operative Banks and Regional Rural Banks have so far waived Rs. 23,566 crore under the scheme as per preliminary claims submitted by them. The banks still have time to prefer claims for 'debt relief' with RBI/NABARD under the scheme.

Withdrawal of fiscal stimulus package

1263. DR. T. SUBBARAMI REDDY:
SHRI V. HANUMANTHA RAO:

Will the Minister of FINANCE be pleased to state:

(a) whether he has ruled out withdrawing fiscal stimulus packages until economy returns to a firm growth;

(b) if so, whether he has pointed out that he would take a call on withdrawing from stimulus package only after being convinced that the economy had come out of the slowdown;

(c) if so, what are the concrete steps and measures his Ministry is taking to ensure that economy is back to high GDP growth of 8.5 to 9 per cent per annum; and

(d) what are the concrete measures and steps his Ministry has taken to improve position?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) The fiscal measures announced by the Government and the monetary measures by the Reserve Bank of India, were aimed at mitigating the adverse impact of the global economic downturn. Data published by Central Statistical Organisation (CSO) shows that the deceleration observed in the growth of Gross Domestic Product (GDP) during the third quarter of 2008-09 to 5.8 per cent was arrested in as much as the growth in the fourth quarter remained at 5.8 per cent

and recovered to 6.1 per cent in the first quarter of 2009-10. It has been indicated that at present there is no proposal for withdrawal of stimulus measures in 2009-10.

Monitoring the emerging macroeconomic situation and calibrating policies to restore growth momentum, is a continuous process. The expansionary fiscal stance as at present is a short-term measure to address demand slowdown in the economy and to minimise the adverse impact of global financial crisis. The intention to resume the process of fiscal consolidation has been indicated in the Medium Term Fiscal Policy Statement 2009-10, which envisages a fiscal deficit of 5.5 per cent of GDP in 2010-11 and 4.0 per cent go GDP in 2011-12.

Continuance of stimulus package

†1264. SHRI RAVI SHANKAR PRASAD:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that India has come out of negative efforts of world wide slowdown after the first half of the financial year 2009-10;

(b) if so, the reaction of Government thereto;

(c) whether it is also a fact that there is a need to continue the economic stimulus package which was provided during world wide economic slowdown;

(d) if so, the reaction of Government thereto; and

(e) whether Government has fixed time frame for taking back the above economic package?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) To obviate the negative impact of the global economic events on the Indian economy in 2008-09, a number of steps were taken, which included monetary measures of the RBI and the expansionary fiscal policy of the Government. The stimulus measures announced by the Government in December 2008, January and February 2009 were both sector specific to address the special problems and also macro economy wide in nature aimed at boosting growth. As per the data on Gross Domestic Product (GDP) published by the Central Statistical Organisation (CSO), the growth which was 7.7 per cent in the second quarter of 2008-09 decelerated to 5.8 per cent in the third quarter. That the decline in growth was arrested is noted by the posting of 5.8 per cent growth in the fourth quarter of 2008-09, followed by an improvement to 6.1 per cent in the first quarter of 2009-10.

(c) to (e) The Government has already indicated that the fiscal stimulus will not be rolled back in 2009-10. Monitoring the emerging macroeconomic situation and calibrating policies to mitigate the adverse impact and restore growth momentum is a continuous process. The expansionary fiscal stance is a short-term measure to address demand slowdown in the economy and to minimise the adverse impact of global financial crisis. To address medium term

†Original notice of the question was received in Hindi.